GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA

UNSTARRED QUESTION NO:672
ANSWERED ON:22.10.2008
DELAYED CENTRAL PROJECTS
Nahata Smt. P. Jaya Prada

Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether a large number of Central projects costing above Rs. 20 crore are running behind the schedule;

(b) if so, the reasons therefor;

(c) whether due to delay of such projects, there is probability of cost escalation of such projects; and

(d) if so, the details thereof and the steps taken to complete such projects at the earliest?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE), MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION(SHRI G.K.VASAN)

(a) Yes, Sir.

(b) The reasons for projects running behind schedule include; lack of supporting infrastructure, delay in award of contracts, slow progress by the contractors, delay in land acquisition and related rehabilitation, law and order problems, fund constraints and geological surprises.

(c) Yes Sir.

(d) As on March 2008, out of 909 projects costing Rs.20 crores and above on the monitor of the Ministry of Statistics and Programme Implementation, 346 projects are running behind with respect to their latest approved schedule. Cost overrun in 346 delayed projects is Rs.24,689 crores which is 13.33 percent of the latest approved cost of Rs.1,85,089 crore. The steps taken by the Government to complete such projects include:

(i) adoption of two-stage clearance system and stricter appraisal of projects before investment approval;

(ii) taking up of projects for implementation only after funds have been fully tied up;

(iii) in-depth review of projects on monthly and quarterly basis by the Government;

(iv) follow up with the State Governments in respect of problems relating to land acquisition, rehabilitation related issues, forest clearances, infrastructure facilities, ensuring law and order at project sites, etc.

(v) setting up of an Empowered Committee in the administrative Ministries for review of departmentally executed projects;

(vi) inter-ministerial coordination for resolving unresolved problems;

(vii) setting up of Standing Committees in the Ministries/Departments to fix responsibility for time and cost overruns;

(viii) appointment of nodal officers for each project with continuity of tenure; and

(ix) issue of guidelines on standard bidding documents for adoption.